

May 26, 2009

Commonwealth of Kentucky  
Public Service Commission  
211 Sower Blvd  
P.O. Box 615  
Frankfort, Kentucky 40602-0615

RECEIVED  
MAY 27 2009  
PUBLIC SERVICE  
COMMISSION

RE: Case No. 2008-00506 and 2008-00512

To Whom It May Concern:

The District has reviewed the most recent Order dated May 18, 2009.

Office Clerk/Bookkeeper, Paula Snowden, provided the information in response to the questions asked in the Appendix. The information provided has also been reviewed during regular monthly board meetings in which the computer system and or hardware needs of the District have been discussed.

Appendix #1

At this time the Board of Commissioners have not made a decision or commitment on a computer software and hardware package. Also, at time of this response, there is only one company Donald R. Frey & Company, Inc that can provide the required format with additional program changes, another Greentree Applied Systems, Inc in which they can work with a programmer and set up the required format with a charge pending for the additional programming and a third United Systems that is currently working to see if they can meet the requirements at an additional cost of 3 to 5 hours of programming @\$125.00 per hour with an estimate of \$375.00 up to \$625.00. All three quotes for software from these companies are provided in the attachment. However not all companies have provided a quote on the hardware required. A hardware list of each company's requirements not quoted will have to be priced from a hardware source at an additional cost once a package is approval by the Powell's Valley Water District and funding is available.

hardware not will be priced. A business grade D.C.E. line will be required at a cost of \$216.44. An installation of hardware and running cables has a verbal quote from Mr. Ron Spencer of \$35.00 an hour or \$20.00 an hour for an eight-hour project. Rely Technology Group 3565 Bates Creek Road Ste 90 Lexington, Kentucky is pending the software package decision to come to the office and do an on site inspection to give a quote. A charge may apply to the District for this company's travel and or mileage. NetGain Technologies 2031 Georgetown Road Lexington, Kentucky 40509 has given a quote for total hardware/software and implementation of \$31,617.00 with a 36-month term and a total on going services \$2,335.80 per month. Each software company has a formula for on going annual system support due annually. The District will have to replace the current stock of printer ribbons, Accounts Payable and Payroll checks in addition to billing cards. These items cannot be priced until a software package is approved.

#### Appendix #4

This District has reviewed a loan fund application from National Rural Water Association. The District has talked to Mrs. Pam Farmer with Rural Development Association, Morehead Branch and was informed that the cost of a new computer system may be able to be added to a project if it met the requirements of that project but the District does not have any new projects pending.

Kendell Knox has approval from K.I.A. (Kentucky Infrastructure Authority) to use any projected extra funds from the Virden Ridge Tank Project for an in office computer system and hardware. The left over funds will first be used to take an existing tank out of service and then any balance can be applied to the cost of the new computer software and hardware. If a balance is available to be used by the District it will be at the end of the Virden Ridge Tank Project.

#### Appendix #5

See Attached monthly board meeting minutes.

#### Appendix #6

The Powell's Valley Water District will notify the Public Service Commission with a time line for purchase of a new computer software and hardware packet at the end of the Virden Ridge Tank Project. The Powell's Valley Water District will use any left over balance from the Virden Ridge Tank Project to help fund the new computer system. The District will have to borrow any remaining balance for the purchase. The pending completion date of the Virden Ridge Tank Project is August 2009.

If you have any questions, please call our office 606 663-5870.

Steph Cole  
Name

Chairman  
Title

5-26-09  
Date

Witnessed by:

Beth Howard  
Name

Leann  
Title

5-26-09  
Date

Dawn Bessinger  
Name

Sec. Treas  
Title

5-26-09  
Date

- **APPENDIX #5** Monthly Board Meeting Minutes

Options	Description	Y/N	Rate	Total
	Bank Reconciliation/Voiding	Y	995.00	995.00
	Magnetic Media, Electronic W-2's for Federal Filing	N	995.00	0
	Data Dictionary (Requires ODBC)	N	995.00	0
	ACH Direct Deposit	N	995.00	0
	Positive Pay (If custom file layout is required add \$580.00 in application modifications below)	N	995.00	0
	Time Clock Interface	N	995.00	0
	e-stub and Web Services, online payroll history & W-2's for employees	N	1,995.00	0
	FRS, Florida Retirement System	N	995.00	0
Multi User Microsoft® SQL®	Database Option	N	1,995.00	0
Multi User CHIPS®	2nd thru 9th user, \$1995.00 ea; 10th thru 19th user, \$995.00 ea	0	1995.00	0.00
ODBC, Open Data Base Connectivity	\$495.00 for first license, \$395.00 ea additional	0	495.00	0.00
<b>CHIPS® Software License Total</b>				<b>3,590.00</b>

<b>System Set Up Options</b>				
Item	Description	Units	Rate	Total
Report Tool	Crystal Reports	0	565.00	0.00
Custom	Application modifications at 145.00/hr	0	145.00	0.00
Training	Onsite Training/day + expenses (not included) - *(2) Two day training program	0	2,990.00	0.00
	At Frey & Co. Offices. *per/person for 2 days.(travel expenses not included)	1	990.00	990.00
	Web Training/hr. (4) Three Hours Sessions	0	990.00	0.00
Web	Web Set Up, design and configure web services login pages	0	395.00	0.00
<b>Total One Time System Set Up Options</b>				<b>990.00</b>

<b>Cost Summary</b>				
Item	Description	Units	Total	
License	One time perpetual License Fee	1	3,590.00	
Other	Total of "System Set Up Options" section	1	990.00	
Web Hosting	Annual Web Hosting Fee, (\$00.00 per 500 employees records)	0	0.00	
Support	Support and Maintenance Agreement: 20% of License, or \$500.00 min.	1	718.00	
<b>Total Cost</b>			<b>5,298.00</b>	
<b>Subtract Allowances</b>			<b>995.00</b>	
<b>Total Due At Purchase</b>			<b>4,303.00</b>	

Donald R. Frey & Company Inc. - 40 North Grand Avenue, Suite 303 - Fort Thomas, Kentucky 41075 - 800.659.3739 - www.drfray.com

Accounts Payable		Y	\$995.00	995.00
A/P ACH		N	\$995.00	0
A/P Positive Pay	* Requires 4 hour custom file configuration set up charge	N	\$995.00	0
Advanced Allocations		N	\$1,995.00	0
Budget Planning		N	\$995.00	0
Bank Reconciliation/Check Voiding		Y	\$995.00	995.00
Cash Receipts		N	\$1,995.00	0
Encumbrances		N	\$1,995.00	0
Fee Receipting	*Requires Data Dictionary, ODBC, Crystal Reports	N	\$1,995.00	0
Fixed Assets		N	\$1,995.00	0
Combining Reports		N	\$1,995.00	0
Credit Card Tracker		N	\$1,995.00	0
Requisition Control		N	\$1,995.00	0
Accounts Receivable-Billing		N	\$1,995.00	0
Data Dictionary		N	\$995.00	0
Multi User Microsoft® SQL®	Database Option	N	\$1,995.00	0
Multi User BUCS®	2nd thru 9th user, \$1995.00ea. 10th thru 19th user, \$1495.00ea.	0	995.00	0.00
Multi User BUCS® - View Only		0	\$995.00	0.00
ODBC, Open Data Base Connectivity	\$495.00 for first license, \$395.00 ea additional	0	495.00	0.00
<b>BUCS® Software License Total</b>				<b>4,585.00</b>

System Set Up Options				
Item	Description	Units	Rate	Total
Report Tool	Crystal Reports	0	\$585.00	0.00
Custom	Application modifications at 145.00/hr	0	\$145.00	0.00
Training	Onsite Training + expenses (not included) for 3 days	0	\$4,485.00	0.00
	At Frey Offices *per person for 3 days (Client responsible for Travel expenses)	1	\$1,485.00	1,485.00
	Web Training (6) 3-hour sessions	0	\$1,495.00	0.00
<b>Total One Time System Set Up Options</b>				<b>1,485.00</b>

Cost Summary			
Item	Description	Units	Total
License	One time perpetual License Fee	1	4,585.00
System Set Up Options	Total of "System Set Up Options" section	1	1,485.00
Support	Annual Support and Maintenance Agreement: 20% of License, or \$500.00 min.	1	917.00
<b>Total Cost</b>			<b>6,987.00</b>
<b>Subtract Allowances</b>			<b>995.00</b>
<b>Total Due At Purchase</b>			<b>5,992.00</b>

Customers	Description	Quantity	Rate	Total
CUBIC® Billing & CIM system for up to 2500.2 customers		2200	1,2489	2747.50
Services	Water	2200	N/A	0.00
	Sewer	100	N/A	0.00
	Electric	0	N/A	0.00
	Gas	0	N/A	0.00
	Sanitation (Garbage Pickup)	0	N/A	0.00
	Storm Water	0	N/A	0.00
	Deregulated Service, as a subsidiary to one of the above regular services	0	N/A	0.00
		<b>Services Total</b>	2300	0.7167
Options	Multi-user (2-10)	Y	1099.00	1099.00
	Multi-user (11-20)	N	N/A	0.00
	Productivity	Y	1099.00	1099.00
	Hand-held or AMR Interface	N	N/A	0.00
	Installments	N	N/A	0.00
	Inventory	N	N/A	0.00
	Internet Inquiry with Online Payment Processing function	N	N/A	0.00
	CASS Coding Accuracy Support System for USPS discount program*	N	N/A	0.00
	Budget Billing	N	N/A	0.00
	Meter Maintenance Plus (Includes required validation and conversion of existing CUBIC meter data)	N	N/A	0.00
	Back Flow Device Management, Number of devices = 200	N	N/A	0.00
	e-billing, (requires Internet Inquiry Module)	N	N/A	0.00
	RUBS, Ratio Utility Billing	N	N/A	0.00
	SQL Database interface	N	N/A	0.00
	System Growth Factor	0	1099.00	0.00
	Data Dictionary, requires ODBC	Y	995.00	995.00
	ODBC, Open Data Base Connectivity (\$495.00 for first license, \$395.00 ea. Additional)	1	495.00	495.00

\* CASS, Option requires subscription to certified address database update service.

**CUBIC® Software License Total 8,084.00**

### System Set Up Options

Item	Description	Units	Rate	Total
Report Tool	Crystal Reports	0	565	0.00
Custom	Application modifications at 145.00/hr (Create file layout for AMR System)	0	145	0.00
Training**	Onsite Training 2 Days *(travel expenses not included)	0	2990	0.00
	At Frey & Co. Offices *per person for 2 days *(travel expenses not included)	1	990	990.00
	Web Training (4) 3-hour sessions	0	990	0.00
	Rate Code & G/L set up fee	0	295	0.00
Hardware	Hardware system or network upgrades	0	0	0.00
Web	Web Set Up Fee	0	395	0.00
Set Up	Security/Setup Fee *(applies when adding options post original purchase)	0	125	0.00
Data Conversion*	Data Conversion Services, estimate based on information provided.	0	N/A	0.00

**System Set Up Options Total 990.00**

\* Data Conversion cost are estimated based upon information supplied by the client, actual cost may be greater or less than amount listed in data conversion line item above relative to any discrepancy between the above stated quantity of accounts to be converted and actual. Data Conversion services are provided by Technology Consultants, Inc, and are regulated by an independent service agreement.

\*\*Training options do not include travel cost. Client is responsible for travel cost incurred which will be billed as incurred or at the time of booking.

### Cost Summary

Item	Description	Units	Total
License	One time perpetual License Fee	1	8,084.00
Other	Total of "System Set Up Options" section	1	990.00
Web	Annual Web Hosting Fee (Based upon \$500.00 per 10,000 accounts hosted)	0	0.00
Support	Support and Maintenance Agreement: 20% of License, or \$500.00 min.	1	1,616.80

**Total Cost 10,690.80**

**Subtract Allowance 0.00**

**Total Due At Purchase 10,690.80**

www.drffrey.com

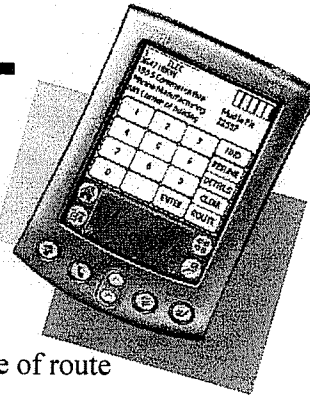
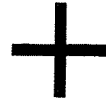
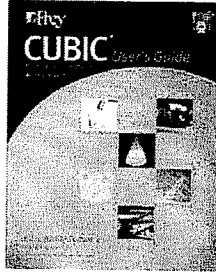
# New affordable Meter Reading Handheld system interfaces with your CUBIC<sup>®</sup> utility billing software!

In the past, adding a hand held meter reading device to your utility operation represented an investment of 8-15 thousand dollars or more. The high cost made outfitting your meter readers with such equipment, beyond consideration.

The new **BOSON**, PalmOS Based Meter Reading system developed by **ionware** delivers the features of traditional handheld meter reading device/software at a cost affordable to utility operations of all sizes.

## Benefits Include:

- Eliminates manual data entry
- Improved efficiency
- Improved meter reading and billing accuracy
- Reduces read-to-bill time
- Improved customer and meter information
- Improved customer satisfaction
- Range Checking to avoid reading mistakes
- User defined response codes for unread meters
- Save previous route generations for review later
- Track who read a route by initials
- Stores reading dates & time to the second to optionally report reading sequence of route
- Lightweight device for easy handling - fits in pocket
- May be used in low light conditions
- Runs on easy to own and easy to operate Palm OS computers - inexpensive hardware and batteries
- Video based instruction thru Windows Multimedia player on common Windows desktop computers
- Several routes may be stored in the device to avoid return trips to the office after a route is complete
- Download a route and upload the new meter readings into **CUBIC<sup>®</sup>** with the click of the mouse
- Cost Benefits are now realistic for your utility operation!



## COST EXAMPLE

CUBIC <sup>®</sup> Handheld Interface Module	1099.00
Annual Support additional [CUBIC <sup>®</sup> ]	220.00
<b>BOSON</b> Software by ionware	750.00
PalmOS Ruggedized Handheld Unit	<u>399.00</u>
<b>Total Cost</b>	<b>\$2,468.00</b>



To place an order or request additional information please contact Frey & Company  
 Email [Sales@drfrey.com](mailto:Sales@drfrey.com) or Toll Free 800-659-3739



- Track who read a route by initials
- Range Checking to avoid reading mistakes
- Stores reading dates & time to the second to optionally resort reading sequence of route
- Video based instruction thru Windows Multimedia player on common Windows desktop computers
- Download new route and upload the read route by pushing single HotSync button
- Annual maintenance agreements available
- Several routes may be resident in device to avoid return trips to the office after a route is complete
- The same route can be resident on multiple handhelds allowing the readers to work on the same route
- Problem reading meter? Tap an excuse from the list box and keep going
- Previous readings and High/Low readings are optionally shown in meter details page
- Meter digits can be strictly enforced or by using floating number of digits
- Read Left-to-Right or Right-to-Left

#### PALM OS COMPUTING PLATFORM

- Lightweight device for easy handling - fits in pocket. Reader is free to use hands to walk, open gates, etc.
- May be used in low light conditions. Palm OS devices have backlights.
- Runs on easy to own and easy to operate PalmOS computers - inexpensive hardware and batteries
- PalmOS 5 Ready

#### DESKTOP SOFTWARE AND HOTSYNC

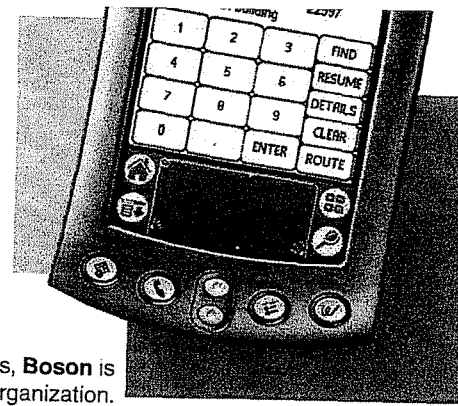
- HotSync process uploads read routes and downloads prepared routes in single button push
- Control of how handhelds operate is maintained in the office by BosonDT
- Easily add more handheld licenses through License wizard
- New readers can be trained to use Boson by watching instructional videos included with desktop software

#### ADVANCED FEATURES

- Attach to reading probe to read touch pad equipped meters
- \* Requires use of Palm handheld with SD memory expansion card like m125, m130, m500, m505.



The concept of reading utility meters with an inexpensive PDA was born by a large utility who was transitioning between software vendors and was shocked to find their existing handhelds would not work with their newly purchased software. After diligently researching handhelds available and pricing, the utility could not find cost-justifiable handhelds. Is there anything out there we can afford? What about using a Palm Pilot to capture the readings?



A little later and after many, many installations, **Boson** is a delivered product ready to work for your organization.

It is difficult to justify large expenditures for more expensive handheld technologies which deliver less than Boson. Eventually, all technologies grow and become improved upon. Why invest huge sums into reading technology to only find the handhelds to be out of date, the batteries will not hold a charge or the hardware is physically broken and no one will repair the units? Why not use hardware which is affordable to keep extras?

Boson is software for PalmOS computers which allows you to easily read utility routes. Lonware has developed Boson to be installed by the end user with little to no assistance from us. Many of our users just follow the simple installation instructions and receive a little help from Lonware on the telephone to begin using the handheld for their routes.

### How Do You Use Boson?

Entries into Boson are made using a stylus to tap numeric entries on the touch-sensitive screen as you read a route. You may also use your finger if easier.

The reading cycle is started by preparing a route on the billing computer and using the HotSync cradle to download the readings to the handheld computer. Multiple routes can be downloaded at one time.

After the routes are resident, the handheld is removed from the cradle and the route can be walked with the handheld. Boson accepts readings for electrical, water, gas and demand meters.

The customer name, service address, previous reading and meter tag number are listed on the entry screen -- the large numeric buttons help ease the reading entry. Boson checks for readings outside of high/low range but still permits entry.

The routes can be read out of order. The reader can scroll forward or backward in the route and finally jump back to the first unread meter in the route. Meters can be found by House Number, Tag Number or Service Number.

Details of each meter are provided in the Details screen - tap the screen to view location on the property, special notations, previous readings and the high/low reading checks. Trouble reading the meter can be indicated by tapping an entry in the exception list.

Entry of the reading can occur Right-to-Left or Left-to-Right. Strict number of digit entries can be enforced or a meter can be keyed as a floating entry in case the billing software is unaware of the number of digits.


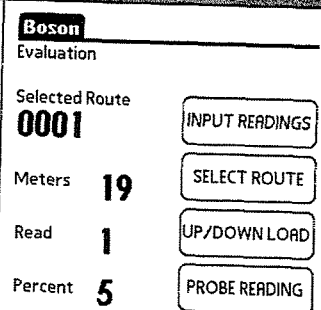
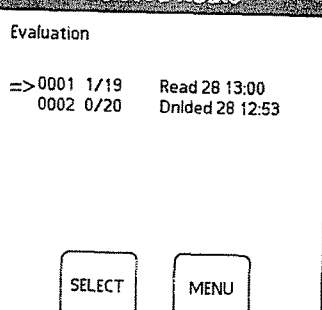
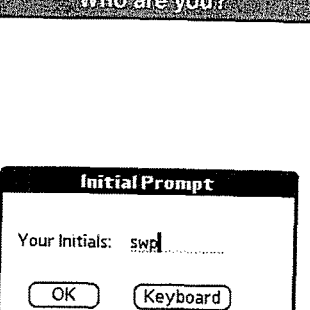
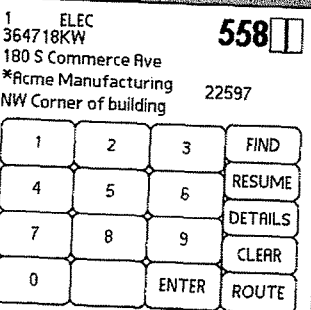
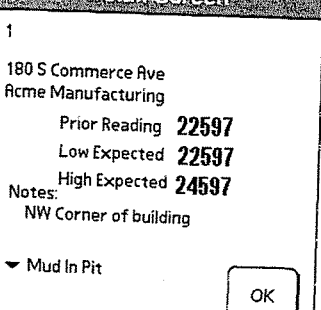
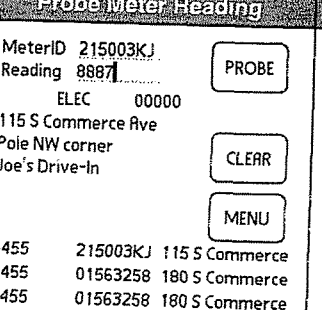
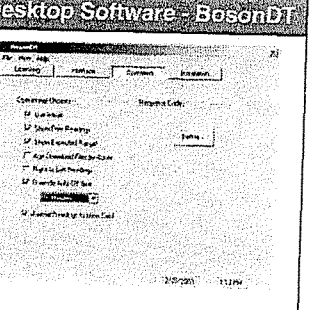
also written to the memory card.

same HotSync step.

Another strong Boson feature is allowing the same route to be loaded on more than one handheld. When readers finish their primary route - they can begin reading large routes which are

Boson is easy to interface to existing billing systems. Many, popular, utility billing systems are already interfaced. Even if you have a custom system, the interface to Boson is easy.

### Boson Screen Shots

Launch Boson with a Tap!	Main Screen	Select a Route	Who are you?
 <p>A single tap on the launcher screens starts Boson immediately. Boson is PalmOS native &amp; OS 5 ready.</p>	 <p>Boson shows the currently selected route, the number of meters in the route, number of meters read and the percentage of the route completed.</p>	 <p>Boson can handle multiple routes (if billing software allows) on the handheld. Simply select which route you choose to read.</p>	 <p>Indicate your name or initials for the readings.</p>
Entry Screen	Detail Screen	Probe Meter Reading	Desktop Software - BosonDT
 <p>Meter data is shown. Tap in the reading using the large format keypads. Entry boxes must be complete before reading is accepted.</p>	 <p>Previous reading data is shown. If reading is not possible, select an excuse from the exception list.</p>	 <p>Attach a probe to handheld to read meters with touch pads.</p>	 <p>Interfacing and operational parameters are selected by the office and control how each handheld works.</p>

This product can be interfaced with the CUBIC Utility Billing Software System, a FREY Software Product.  
Please contact FREY at 800-659-3739 for additional information. [www.drfrey.com](http://www.drfrey.com)

Ionware, Inc. 1455 Westhampton View Lane, Chesterfield, MO 63005  
USA Phone: +1 (636) 273-4225 • E-mail: General Inquiries and Administrative: [info@ionware.com](mailto:info@ionware.com)  
Sales and Marketing: [sales@ionware.com](mailto:sales@ionware.com)

**Greentree Utility Data Management Software Proposal  
Prepared for the Powell's Valley Water Dist.**

April 17, 2009

**Utility Management Software**

Greentree Utility Management System for Windows (UMS-Win) 5,000.00  
Includes first years annual support fee.

**Utility Billing Full Data Conversion based on 2000 accounts**

Utility Billing full data conversion programming 3,700.00  
This charge is based on the following schedule –  
\$3,200.00 flat fee, plus \$0.25 per each converted account and includes up to  
one year of transaction history. This fee may be adjusted if the number of  
converted accounts changes significantly.  
See proposal notes for further details and additional data options.

**Greentree Accounting Software**

Greentree Accounting Software 2,500.00  
Includes General Ledger, Accounts Payable and Payroll.  
Bank Reconciliation available if requested.  
Includes first year of annual support fee

**Accounting Link Manager Software**

Links utility billing, cash receipts and property tax with Greentree 1,000.00  
or 3<sup>rd</sup> party accounting systems.

**Standard Accounting Data Conversion**

Accounting (G/L & A/P) data conversion programming 400.00  
Chart of Accounts and Vendor List (no money)

See proposal notes for additional details

**On-Site Support Services** See proposal notes for additional details

Trip#1 – Billing Software in Production (3 days)	
Balancing, data refinement, training	2,625.00
Includes travel time and living expenses on site.	
Travel expense for air fare and rental car	750.00
Trip#2 – Accounting & Account Link Manager Software Training (3 days)	2,625.00
G/L, A/P, P/R, Bank Reconciliation and LINK	
Includes travel time and living expenses on site.	
Travel expense for air fare and rental car	0.00
	-----
	<b>Proposal Total: \$ 20,800.00</b>

**25% down payment due at signing: \$ 5,200.00**

**Sign:** \_\_\_\_\_

**Date:** \_\_\_\_\_ **PO#:** \_\_\_\_\_

*This charge is based on the following schedule –*

\$1,500.00 flat fee, plus \$0.25 per each converted account	1,875.00
Additional account balances per customer (Water, Sewer, Trash)	650.00
Add a second data conversion run	200.00

*See proposal notes for further details and additional data options.*

**Greentree Inventory Software**

Greentree Inventory Software	2,500.00
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Includes work orders. Includes first year of annual support fee  
Inventory data conversion is not included unless priced separately

**Jett Handheld Computer Reading System:**

MasterLINK™ Jett Handheld Computer System - All Software, Cradle, Cable,Charger Plus - 1 Year Warranty	\$3,918.00 per each
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Recommended Printer

**Lexmark T642 laser printer**

<u>Suitable for printing PostNet &amp; Payment Bar Codes and 1-3 bills per sheet</u>	1,142.00
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Prints one utility bill on one 8 ½" X 11" sheet of copy quality paper or  
3 billing cards using our pre-printed laser form. 45 pages per minute,  
standard paper drawer has a capacity of 600 sheets, optional paper drawers available.

**Bar Code Scanner**

Scans the payment bar code	350.00
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Following with the acceptance of this proposal - a valid purchase order, or a letter of intent stating the proposal has been accepted and payment will be made in full when the system is installed.

### **Remote Access Modem Support**

Greentree offers remote systems support. This feature allows Greentree access to your system over a standard phone line. This phone line is usually shared with the office fax machine. Software updates and software changes required by your office could be sent in minutes rather than days. Remote access to your system is also helpful in trouble shooting problems with your system. A modem and the proper Greentree approved communications software must be installed on your computer.

### **Proposal Acceptance**

The Greentree proposal total cost is based on the understanding that the entire proposal and all components are accepted as presented. Both parties agree that this written proposal constitutes the complete and exclusive statement of the agreement between them which supersedes all proposals, oral or written, and all other communication between them relating to the proposal scope and content. Both parties agree that all Greentree software is provided subject to the standard Greentree Software License Agreement shown below.

Greentree Applied Systems, Inc. grants to you a non-exclusive, non-transferable license to use the software programs and related documentation in this package (collectively referred to as the "Software") on a single processing unit (machine) or a single file server for the multi-user version. Any attempted sublicense, assignment, rental, sale or other transfer of the Software or the rights or obligations of this Software License Agreement, without the prior written consent of Greentree Applied Systems, Inc., shall be void. This agreement will be governed by the laws of the Commonwealth of Kentucky.

This Software and documentation are copyrighted. Unauthorized copying, reverse engineering, decompiling, disassembling, and creating derivative works based on the Software are prohibited. Title to the Software is not transferred to you by this license. Ownership and title to the Software and to the actual contents of this package, including the copy of the Software and the media on which it is stored and the associated documentation, are retained by Greentree Applied Systems, Inc. This agreement sets forth the entire agreement between parties. The terms herein may not be changed or modified except by an instrument in writing duly signed on behalf of both parties.

Greentree Applied Systems, Inc. does not warrant that the Software will be free from error or will meet your specific requirements. You assume complete responsibility for decisions made or actions taken regarding selection of the Software to achieve your intended results. Greentree Applied Systems, Inc. shall not be responsible for incidental, special, or consequential damages resulting from the use of this Software.

**Computer Forms**

Greentree can provide a complete selection of printed forms including utility billing cards, late notices, check forms for accounts payable and payroll. These forms are compatible with our software. Custom form printing can take anywhere from 3 to 6 weeks to complete. Your current forms are probably not compatible with our software.

**UMS-Win Full Data Conversion**

Data conversion from your current billing system has been included in this proposal pricing. Our standard practice for the full data conversion is to convert all customer accounts including service address, billing address, customer phone number (i.e. demographics), one account balance per account, total A/R balance, bank draft data, deposits, and up to one year of billing transaction detail. Monthly meter readings and usage for one year are also converted. Rate tables and deposit details are also converted. Work order data conversion is not included. Two separate data collections and two data conversion are performed.

Greentree will work with your staff to collect the data required. No on-site data collection trips are included unless they are priced separately. This service is available if the data from your current system can be captured. We have been able to convert every system we have seen thus far. This fee may be adjusted once the final number of converted accounts is known. These prices are not firm until Greentree has reviewed the present system data. Additional data conversion options are shown below. These options must be separately priced in your proposal if they are included.

Add additional years of customer history, per year	350.00
Add multiple account balances per customer	650.00
Add property owners	320.00
Add ability to parallel old and new systems for 30 days from one set of route files and meter readings	900.00

**UMS-Win Basic Data Conversion**

Data conversion from your current billing system has been included in this proposal pricing. Our standard practice for the basic data conversion is to convert all customer accounts including service address, billing address, customer phone number (i.e. demographics), present and previous meter readings, deposits, and rate tables. The following data is not included - account dollar balances, total A/R balance, transaction history, bank draft data, and work order data. All system defaults and all switch setting are provided. One data collection and one data conversion are performed.

Add 1 <sup>st</sup> account balance per customer and total A/R balance	320.00
Add multiple account balances per customer (requires 1 <sup>st</sup> account balance as a prerequisite)	650.00
Add a second data conversion run	200.00
Add property owners	320.00
Add bank draft data	320.00
Add ability to parallel old and new systems for 30 days from one set of route files and meter readings	900.00

**Standard Accounting Data Conversion**

Data conversion from your current accounting system has been included in this proposal pricing. Our standard practice is to convert only the General Ledger chart of accounts and the Accounts Payable vendor file. Payroll data is not converted with the exception that we will manually enter the demographic data (only) for up to 25 employees. This service is available if the data from your current system can be captured. Greentree will work with your staff to collect the data required. Any on-site visits required to collect accounting data is billed in addition the data conversion charge.

**Greentree Annual Support Fees**

The first year of unlimited toll free phone support for the Greentree software has been included in your proposal. Software updates, unlimited toll free phone support, and remote modem support are provided to users who remain on support with Greentree. This fee is due on the installation anniversary each year. We send software updates to users upon request. Current pricing for annual support fees;

Utility Billing Software	\$1200.00 per year
Accounting Software	\$600.00 per year
Cash Receipts Software	\$450.00 per year
Inventory Software	\$600.00 per year
Business License Software	\$150.00 per year
Property Tax Software	\$600.00 per year

Multiple Product Support Bundle    \$2,500.00 per year (Current maximum support amount)

**UMS-Cash Software Annual Support Fee**

The software support fee and does not include support for the receipt printer or cash drawer. The manufacturer's warranty and service terms and conditions apply to these items.



site visit. Any issues related to computers, networking, modem, or printing problems can be resolved quickly and efficiently. Failure on your part to meet this requirement could have a negative impact on the amount of training time that is actually available to your staff during the time allotted for the on site visit.

When the proposal includes Greentree software and personal computers Greentree will deliver the computers with the software installed. These procedures help to protect the on-site time for training-conversion purposes. If they are not observed then there will be a negative impact on training time.

The on-site training-conversion visit is designed to address three equally important tasks, 1) training, 2) data refinement and, 3) account balancing. In most cases these functions are carried out simultaneously throughout the on-site visit. There will always be the need for both data refinement and account balancing activities during the on-site visit.

A preliminary, tentative, planning only date for the on-site visit will be established at the time that the proposal is prepared. When there is data conversion included in the proposal the final confirmed date for the on-site visit will not be established until after the customer has signed for the acceptance of the first data conversion.

The total number of on-site days for this service are indicated in the On-Site Support Services pricing section of this proposal. If additional days of conversion support and training might be desirable, these additional days can be added to the proposal before acceptance. Additional support days can also be requested during the software conversion visit. These days are charged at a rate of \$750.00 per day plus travel time and travel expenses. Lodging, meals and transportation costs for installation and training services are included in the proposal. If hand held meter reading computers are included in this proposal the amount of training for these items is included with their pricing. The on-site time quoted in this proposal is our best estimate of what will be required and should not be considered a guarantee.

In some cases the travel expense dollars included in the proposal includes an amount for airplane tickets. To get a lower fare, and to save you money, we usually purchase the ticket well in advance of the planned trip. If it becomes necessary to change the dates of travel you agree to pay the additional charges associated with the change of tickets and plans.

March 6, 2009

Powell's Valley Water District  
Attn: Paula Snowden  
31 Adams Ridge Rd  
Clay City, KY. 40312  
Ph: 606.663.5870 ~ Email: [snowden.paula@gmail.com](mailto:snowden.paula@gmail.com)

Prices guaranteed for 30 days.

**Hardware Solutions:**

3	HP Compaq dc5800 Microtower Windows XP Professional & Microsoft® Office 2007 Basic Intel® Pentium® Dual-Core E2220 processor 2GB PC2-6400 (DDR2-800) 2x1GB 160GB SATA NCQ HDD SMART IV SATA 16X SuperMulti LightScribe HP PS/2 2-Button Optical Scroll Mouse HP PS/2 Standard Keyboard 3-year (parts/labor/next business day on-site) limited warranty - MT HP L1710 17-inch LCD Monitor (\$1,185 each)	\$	3,555.00	_____
3	APC Back-UPS CS 500VA Battery Backup (\$125 each)	\$	375.	_____
1	Omega REV USB 2.0 Backup Starter Kit (6 Disks included)	\$	650.	_____
1	Linksys Ethernet Switch 8 port Switch	\$	45.	_____
1	Remote Services for Equipment Installation If on-site, labor: \$95 hourly, Travel: \$65 hourly	\$	95/Hourly	_____

Building or premise wiring and cabling are not included in this quote. A quotation for wiring services can be provided if desired.

**Quotation Considerations-**

+ *Installation Services-* Deployment of this option WILL require staff time related to setup & installation with hourly rates of \$95 labor & \$65 travel. Technical service times are estimated and could vary upon service delivery. Only actual time used will be invoiced and total service amounts are "estimates", which are based on the anticipated complexity of the project. Services delivered beyond USS' standard service window (8AM-4:30PM CT, Monday thru Friday, excluding USS Holidays) are subject to upcharge factor of 1.5.

**Agreement:** Client acknowledges that Client has read this Agreement Addendum, understands it, and agrees to be bound by its terms. Client further agrees this is the complete and exclusive statement of Agreement between the parties, which supersedes all implied, oral, and written communications between the parties relating to this Agreement Addendum. This Agreement Addendum shall be effective when signed by both parties. This Agreement Addendum is entered into as of this \_\_\_ day of \_\_\_\_\_, 200\_\_\_. This is an Addendum to Original Agreement numbered 03062009-1.

United Systems & Software, Inc.

By / Title: \_\_\_\_\_

*Scott W. Smith*

Powell's Valley Water District

By / Title: \_\_\_\_\_

**Preliminary Quotation-**

March 6, 2009

Powell's Valley Water District  
 Attn: Paula Snowden  
 31 Adams Ridge Rd  
 Clay City, KY. 40312  
 Ph: 606.663.5870 ~ Email: [snowden.paula@gmail.com](mailto:snowden.paula@gmail.com)

**CTS / Utility Billing Applications & Counter Receipts-**

**Estimated Training**

1	ALLIANCE™ Utility Management System (UMS) Software Bundle Includes- Billing & Receivables, Meter Tracking, Deposits, Misc. Receipts, Bad Debts, & Attachments, 1 <sup>st</sup> Year Maintenance Included, 2 <sup>nd</sup> Year Maintenance: \$975	4-5 Days	\$ 3,995.	_____
1	ALLIANCE™ Itron Handheld Meter Reading Interface Sub-module for UMS 1 <sup>st</sup> Year Maintenance Included, 2 <sup>nd</sup> Year Maintenance: \$395		\$ 1,995.	_____
1	ALLIANCE™ ACH Bank Draft Sub-module for UMS + 1 <sup>st</sup> Year Maintenance Included, 2 <sup>nd</sup> Year Maintenance: \$195		\$ 695.	_____
1	ALLIANCE™ Service Orders Sub-module for UMS Year Maintenance Included, 2 <sup>nd</sup> Year Maintenance: \$195		\$ 695.	_____
1	Utility Data Conversion Services for Current Utility Customer Data & 2 year History Based on 2,300 customer water & Sewer service accounts, Deduct \$1,000 for conversion without history files		\$ 2,500.	_____
1	ALLIANCE™ Counter Receipts Application 1 <sup>st</sup> Year Maintenance Included, 2 <sup>nd</sup> Year Maintenance: \$195 (Cash Drawer & Receipt Printer not Included, Add \$325 + \$825 as needed)		\$ 695.	_____
1	ALLIANCE™ Payment Scanning Sub-module 1 <sup>st</sup> Year Maintenance Included, 2 <sup>nd</sup> Year Maintenance: \$75 Supported only with laser printer-generated billing cards or statements (Requires Symbol LS2208 scanners at \$325 per scanner, Add as needed)		\$ 295.	_____

**Integrated Accounting Applications-**

1	ALLIANCE™ General Ledger w/ Bank Reconciliation, Accounts Payable & Payroll. 1 <sup>st</sup> Year Maintenance Included, 2 <sup>nd</sup> Year Maintenance: \$990	3-4 Days	\$ 2,995.	_____
1	ALLIANCE™ Purchase Orders Sub-module for AP 1 <sup>st</sup> Year Maintenance Included, 2 <sup>nd</sup> Year Maintenance: \$150		\$ 495.	_____
1	ALLIANCE™ Direct Deposit Sub-module for PR 1 <sup>st</sup> Year Maintenance Included, 2 <sup>nd</sup> Year Maintenance: \$195		\$ 695.	_____
1	ALLIANCE™ Commercial Accounts Receivable Application 1 <sup>st</sup> Year Maintenance Included, 2 <sup>nd</sup> Year Maintenance: \$150		\$ 695.	_____

**Licensing System-**

6	ALLIANCE™ Software User Licensing System, 1 <sup>st</sup> Year Maintenance Included, 2 <sup>nd</sup> Year Maintenance: \$420 Includes 6-user application system license package, per user price: \$495 (1 license required per open Application)		\$ 2,970.	_____
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**Technical Services & Related Training-**

1	ALLIANCE™ Technical Services – Application/Conversion Services & Training ++ Estimated 7-9 days, Onsite Initial day \$1,445 & Ensuing day \$1,145, based on 8-hour work-day, includes all travel expenses. Remote services provided at \$95 hourly. Only actual time used will be billed.		\$ Stated Rates.	_____
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Continued on next page...

3	Itron Equipment set-up, staging, configuration & testing at USS facilities Flat rate fee for each handheld purchased, add \$95 for each add'l handheld	\$	875.00	_____
1	Itron System Start-up Services Plan 1-Day On-site Services for Installation/Training, System Start-up & Testing, Based on 8-hour work-day, Includes all travel expenses	\$	1,445.00	_____

\* The Itron Handheld Meter Reading Device requires docking into the communications cradle for data loading/unloading with the host computer. This communication cradle, or "dock", will require a cable connection to the host computer. The host computer must be a Windows NT/2000/XP PC equipped with these minimum specifications: Pentium 266MHz processor, 64MB of RAM, 64-bit graphics accelerator, 2GB drive (for single PC system), 15" SVGA monitor, 3 1/2" floppy drive, CD-ROM drive, Mouse, 101-keyboard, Standard COM1 & COM2 serial ports (for workstations performing handheld communications).

**Itron Post Warranty Services-** As an Itron Business Partner, USS will provide local support and consultation for this Itron meter reading system. At any time during the life of the system, USS will provide supplemental fee-based services upon the client's request. Itron will be handling the day-to-day support responsibility for the Itron software and hardware, with all calls being routed to Itron Customer Care Specialists in the Global Services Center. From the Center, Itron can deliver support across all meter reading products and systems from a single location, resulting in speedier and more efficient resolution to a wide range of customer needs. The Center maintains hours of 8:00 EST to 5:00 PST (or 8:00 EST), with Customer Care Specialists on-call 24-hours per day for emergencies.

Post-warranty Annual Maintenance	Unit Pricing	Extended Pricing
1 1 <sup>st</sup> Year + MVRS B Host Software	\$ 360.	\$ 360.
1 2 <sup>nd</sup> Year + MVRS B Host Software	\$ 840.	\$ 840.
3 Itron FC200 Handheld Unit (Each)	\$ 304.	\$ 912.
3 Itron FC200 Cradle/Charging Unit (Each)	\$ 24.	\$ 72.

**Quotation Footnotes & Considerations-**

† Deployment of this application will require services related to consultation with your primary ACH Banking vendor, ACH test file generation, data verification & user training. These services are not included within the above quotation and are scheduled at \$95 hourly (typically 1-4 hours).

†† ALLIANCE™ Technical Services are estimates and may vary slightly upon service delivery. Actual time used will be invoiced and our quotation is an "estimate", which are based on the anticipated complexity of the project and services times may vary depending upon the training pace of the trainees. These services may include any of the following services: hardware delivery, software installation, data/rate verification & user training. These services do not include premise wiring considerations. Should premise wiring be required for the network installation, quotations will be quoted once a site walk-through is performed as they are quoted on a case-by-case basis. All services are to be delivered during USS' standard service window (8AM-4:30PM, Monday thru Friday, excluding USS Holidays).

**Additional software options**

**Counter Receipts- Integrated Credit Card Processing-**

1	ALLIANCE™ Credit Card Processing Sub-module for Counter Receipts ††† 2 <sup>nd</sup> Year Software Maintenance: \$195 Annually	\$	295.	_____
1	PCCharge Payment Server By VeriFone 100PROL2000	\$	295.	_____
1	PCCharge Pro Additional User License By VeriFone (\$85 Ea.) 100ADUS0000, required for each PC used for credit card processing	\$	85.	_____
2	IDTech Magnetic Stripe Reader (\$65 Ea.) IDT333112UB, USB, Tracks 1 & 2, Black One required for each PC used for credit card processing	\$	130.	_____
1	Services for Credit Card Payment Set-up	\$	300.	_____

††† This arrangement will require the utility to secure a merchant account and credit card swipe equipment, if any, from a 3<sup>rd</sup> party vendor (such as The Neil Group 615.846.3000 or 877.977.VISA). Additional fees will be applicable from the 3<sup>rd</sup> party vendor and they are estimated as follows: \$295 start-up fee, monthly transaction fees and percentage transaction fees (range from 1.90% to 2.00 % per transaction). These transaction fees can be passed along to the customer or absorbed by the utility. Integration with other vendors will require consultation & testing at \$95 hourly.

**United Systems & Software, Inc.**

By / Title: Scott W Smith / Territory Manager

**Local Reference Accounts:**  
Mount Sterling Water & Sewer Commission  
Becky Nornhold  
300 E Main S  
Mt Sterling, KY 40353

Irvine Municipal Utilities  
Billy "Bee" Williams  
238 Broadway  
Irvine, KY 40336



Prepared for:

Prepared by: ONEIL ELLIS  
 Email: [oe855y@asemail.att.com](mailto:oe855y@asemail.att.com)  
 Date: 5/6/2009

Name of Person Authorizing Service:

Paula Snowden

*#3 Appendix*

Thank you for your recent inquiry concerning AT&T Small Business services. This document represents a best estimate quote only, and is not legally binding as an offer that can be accepted. Before an offer can be made, AT&T must send to you the terms and conditions set forth in an agreement, which must be signed by you and accepted by AT&T.

Per our discussion, here is the quote you requested confirming our recommendation. \* This quote contains recommendations for:

- Local Service
- Long Distance
- Internet Access
- AT&T@ Wireless

**Total Summary**

	<b>Rebate</b>	<b>Estimated Billed One Time Charges w/Savings*</b>	<b>Estimated Billed Monthly Charges w/Savings*</b>
Total Price for Quoted Regulated & Non-Regulated Services		<b>\$145.00</b>	<b>\$216.44</b>

Rebate includes all rewards and coupons that will be sent directly to the customer. All rewards and savings that will appear on customer bills are shown in the One-Time or Monthly Charges. Please refer to Plan and Promotion Information for details of special offers.

AT&T Proprietary: The information contained in this quote is proprietary to AT&T and is offered solely for the purpose of evaluation. It may not be disclosed to Third Parties without prior written permission from AT&T. Prices quoted are estimates based on information & pricing available at the time the quote was prepared. If the price shown above differs from the tariff rate, or AT&T Price List if applicable, then tariff rates or AT&T Price List will apply; otherwise, the rates contained in an agreement signed by both parties at the time of order will apply. Connection charges for new lines vary by state & do not include jacks & wiring. Applicable taxes & fees will be computed based on the full tariff price or prices set forth in AT&T's service agreement if applicable, of all products and services, & no taxes or fees will be added to the amount of any rewards given under this program. This quote is subject to the availability of the services set forth above. Rates quoted above do not reflect all additional charges such as certain other federal or state charges and taxes as well as usage charges.

\* This estimate may change depending upon various factors, such as changes in configuration, design, network facilities or availability prices generally, or inadvertent error.

Additional Complete Choice For Business

Additional Complete Choice For Business OPTION 2

Business Line

Business Line

Business Line

Business Line

Business Line

Backup Line

Backup Line

Charge for Service Connected - First Line 1 \$73.00

Charge for Service Connected - Additional Line(s) 1 \$22.00

(Local Service by AT&T) **SUB TOTAL \$95.00 \$69.00**

Features and Optional Services

Remote Call Forwarding

Non-CCB pkg VoiceMail

CCB pkg VoiceMail

Non CCB Maintenance

CCB Maintenance 2 Line Maintenance \$6.95

Additional CCB Maintenance

MESSAGE WAITING

Hunting/Rollover Service

\*98

CFNB

CFND

(Features and Optional Services) **SUB TOTAL \$6.95**

AT&T Long Distance

Customer has selected AT&T® Long Distance. See below for details.

Customer has selected another carrier. Contact your long distance carrier for their rates and plans.

Customer has not decided on a long distance carrier.

Domestic Unlimited Pkg Unlimited Plan 2 Line \$35.00

Business Unlimited Flex

Call Detail

Per Minute / Pkg Minute Plans

International International Dollar Plan \$1.00

Business Easy Toll Free

Business Toll Free Features

Account Codes

(Long Distance) **SUB TOTAL \$36.00**

FastAccess

Speed DSL 6Mb (6.0 X 512) - 1 \$50.00 \$109.95

*FastAccess Business DSL 6.0 \$10 Discount -*

\$10 discount on your new FastAccess Business DSL 6.0 MRC on your bill through December 31, 2009

*FastAccess DSL with 36 months Term Agreement - -\$35.00*

*CCB DSL Discount - CCB customers -\$5.00*

Additional Speed

Installation Options

CPE

Shared Web Hosting  
 Tech Support 360 - Monthly Service Plans Advanced - 1 \$19.00  
 Tech Support 360 - Additional MSPs  
 Tech Support 360 - Per Minute Bundles  
 Tech Support 360 - One Time Services  
 (Broadband Bolt-Ons) **SUB TOTAL \$19.00**

Wireless

GSM Nation Plan  
 GSM Family Talk/Shared Nation-Incl 2 Lines  
 Companion Nation  
 GSM Family Talk/Shared Nation Secondary Line  
 AT&T Unity<sup>SM</sup> Plan  
 AT&T Unity<sup>SM</sup> Family Talk/Shared Plan - Incl 2 Lines  
 AT&T Unity<sup>SM</sup> Family Talk/Shared Plan - Addl Lines  
 Rate Plans Voice Data National--BlackBerry Only  
 Rate Plans Voice Data Shared Plan-BlackBerry-Incl 2 Lines  
 Rate Plans Voice Data Shared Plan-BlackBerry-Addl Lines  
 AT&T Unity<sup>SM</sup> BlackBerry Plan (voice only)  
 AT&T Unity<sup>SM</sup> BlackBerry Share Plan-Incl 2 Lines (voice only)  
 AT&T Unity<sup>SM</sup> BlackBerry Shared Plan-Addl Lines  
 AT&T DataConnect Plan (w/card)

**(Wireless) SUB TOTAL**

Mandatory Charges

FCC Authorized Charge for Network Access  
 FCC Authorized Charge for Network Access 2 \$13.72  
 Telecommunications Relay Service 2  
 FCC Local Number Portability Line Charge - Line 2  
 Federal Universal Service Charge  
 Federal Universal Service Charge 2 \$1.82  
 DSL Regulatory Cost Recovery Fee  
 Other federal or state charges, taxes as well as usage charges are not included.

**(Mandatory Charges) SUB TOTAL \$15.54**

Other Charges and Credits

**(Other Charges and Credits) SUB TOTAL**

Original Cost	\$145.00	\$279.44
Total Customer Savings		-\$63.00
<b>Total Customer Cost</b>	<b>\$145.00</b>	<b>\$216.44</b>

**AT&T Proprietary:** The information contained in this quote is proprietary to AT&T and is offered solely for the purpose of evaluation. It may not be disclosed to Third Parties without prior written permission from AT&T. Prices quoted are estimates based on information & pricing available at the time the quote was prepared. If the price shown above differs from the tariff rate, or AT&T Price List if applicable, then tariff rates or AT&T Price List will apply; otherwise, the rates contained in an agreement signed by both parties at the time of order will apply. Connection charges for new lines vary by state & do not include jacks & wiring. Applicable taxes & fees will be computed based on the full tariff price or prices set forth in AT&T's service agreement if applicable, of all products and services, & no taxes or fees will be added to the amount of any rewards given under this program. This quote is subject to the availability of the services set forth above. Rates quoted above do not reflect all additional charges such as certain other federal or state charges and taxes as well as usage charges.

\* This estimate may change depending upon various factors, such as changes in configuration, design, network facilities or availability prices generally, or inadvertent error.

**Plan and Promotion Information:**

make upgrades or downgrades among FastAccess services, provided however: Internet Answers customers may not downgrade to a FastAccess product below 1.5Mbps downstream, and continue to receive the \$30 off discount: 1) Internet Answers for Lite will only continue to receive the \$20 off discount, 2) Small Office Internet Solutions customers may not downgrade to a FastAccess product below 1.5Mbps downstream, and continue to receive the \$25 off discount. Discounts apply to standard monthly service charge. In the event that AT&T lowers the price of FastAccess, AT&T may reduce the amount of the discount. AT&T may elect to discontinue discounts at any time upon notification.

### **CCB**

Available to AT&T business customers without current volume and term contracts, other term agreements or CSAs unless otherwise noted. Discount requires customer to subscribe to the Complete Choice for Business package(s) and either a 12, 24 or 36-month term election agreement. Charges may apply for early termination; other restrictions may apply.

**AT&T Proprietary:** The information contained in this quote is proprietary to AT&T and is offered solely for the purpose of evaluation. It may not be disclosed to Third Parties without prior written permission from AT&T. Prices quoted are estimates based on information & pricing available at the time the quote was prepared. If the price shown above differs from the tariff rate, or AT&T Price List if applicable, then tariff rates or AT&T Price List will apply; otherwise, the rates contained in an agreement signed by both parties at the time of order will apply. Connection charges for new lines vary by state & do not include jacks & wiring. Applicable taxes & fees will be computed based on the full tariff price or prices set forth in AT&T's service agreement if applicable, of all products and services, & no taxes or fees will be added to the amount of any rewards given under this program. **This quote is subject to the availability of the services set forth above. Rates quoted above do not reflect all additional charges such as certain other federal or state charges and taxes as well as usage charges.**

\* This estimate may change depending upon various factors, such as changes in configuration, design, network facilities or availability prices generally, or inadvertent error.





## **Powell's Valley Water District**

Presented by: John Kitchen  
Senior Account Executive  
JKitchen@NetGainIT.com

1	Table of Contents.....	2
2	Confidentiality Agreement.....	3
3	Technology OneSource Components.....	4
4	Financial Summary.....	6
5	Letter of Intent.....	7

This agreement establishes a good faith relationship between NetGain Technologies and Powell's Valley Water District for the purpose of reviewing this proposal. This document is the intellectual property of NetGain Technologies. Powell's Valley Water District agrees that the information contained within this proposal is proprietary in nature and that Powell's Valley Water District shall not disclose the information, reproduce the information in any format, or use any of the terms, data, or other material contained herein outside of Powell's Valley Water District or for any purposes other than to evaluate this proposal. Should Powell's Valley Water District want to share this information outside of its organization, it must request and receive explicit permission in writing from NetGain Technologies before releasing any of the material contained in this proposal. Any subsequent revisions, addendums, or amendments to this document shall be covered under the terms of this proposal by reference.

- NetGain will provide **Help Desk Support** Monday through Friday 8:00 a.m. to 5:00 p.m. local standard time. **Single Point of Contact** support on Microsoft Office applications and end user desktop support questions with unlimited calls for 4 users.
- NetGain will provide **Network Operations Center** monitoring services 24x7x365. Response support will be provided Monday through Friday 8:00 a.m. to 5:00 p.m. local standard time. We will install a software agent on your network to monitor all IP devices, verifying daily backups, monitoring viruses and device utilization. We will be able to provide secure remote support to address network and end user issues.
- NetGain will provide **On-Site Network Hardware Support** Monday through Friday 8:00 a.m. to 5:00 p.m. local standard time. We will provide hardware support for all covered IT equipment. If equipment cannot be repaired, it will be replaced with like item at no cost.
- NetGain will provide **Managed Network Services** Monday through Friday 8:00 a.m. to 5:00 p.m. local standard time, excluding NetGain Holidays. When issues can not be resolved remotely by the Network Operations Center, we will dispatch an on-site Engineer to resolve the issue. This is unlimited support for Network and infrastructure related issues.
- NetGain will provide a **Monthly Network Review**. This is above and beyond the support mentioned above. A remote Engineer will securely connect to your network to review event logs and push software updates, when needed, Then, an Engineer will be on-site monthly proactively checking the physical network and addressing any issues.

- We recommend setting the standard on **Microsoft Office Standard 2007**. You will receive **4 licenses with media**. This will provide the latest Microsoft version of Office and provide standardized email and calendar functions with Outlook, as well as Word, Excel, and PowerPoint. Technology OneSource does not include Microsoft Software Assurance, therefore, any upgrades will need to be purchased throughout the term of the agreement.
- We will install **1 new HP Network LaserJet Printers**.
- We will install **1 new Cisco managed switch**.
- We will install **1 new Cisco Adaptive Security Appliance**. This will provide you a secure connected environment. We will set this firewall up to allow remote users to securely access files and email. You will receive all Cisco software upgrades for the term of the agreement.
- We will install a **new ML350 HP business class server** to use as your file server. This server will have **Microsoft Windows 2003**. We will install and configure an **HP StorageWorks tape drive** with **Symantec Backup Exec** software to backup all of your data daily. Also included are a new **APC UPS** and a **Lights Out Board** for remote management.
- You will receive **5 licenses for Trend Micro Client/Server Messaging Suite** to protect your servers and desktops from viruses and spyware.
- We will run **4 cable drops** for the four workstations.

**Peace of Mind for 36 months!!**

Description:	Technology OneSource
Term:	36 Months
Total Hardware/Software And Implementation	\$ 31, 617.00
Total On-Going Services	\$ 2,335.80

Note:

- Above amounts do not include sales tax.
- Upon signature of this "Letter of Intent" NetGain Technologies' Engineers will develop a full Scope of Work and Bill of Material.
- Dollar amounts above are for budgetary purposes only.

Letter of Intent

For the purposes of this agreement, "Client" shall mean the user of technology and services. "Company" shall mean the provider of such technology and services.

This Letter of Intent is to confirm our respective intentions of Client and Company in regards to the Technology OneSource Program presented.

- Company intends to provide the hardware, software, services and all components needed for the Clients networking solutions going forward.
- Client agrees for Company to proceed in the analysis of the economic impact process for the Technology OneSource program.
- Client agrees to provide Company full cooperation and disclose all information needed to determine Clients cost of doing business today.
- Client agrees to endorse the Technology OneSource program providing that Company can provide a solution that is more economical than what it costs the Client today to manage their technology.

This is a letter of intent only. It is not intended to be, and shall not constitute in any way a binding or legal agreement, or impose any legal obligation or duty on either Client or Company. If the foregoing reflects our mutual statement of intention, please include your signature, title and date below.

Company: \_\_\_\_\_

Signature: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

Present: Chairman Stephen Everman, Secretary/Treasurer Dave Plessinger, Superintendent Kendell Knox and Paula Snowden.

Chairman Stephen Everman brought the meeting to order.

The Board reviewed the pending December 2008 monthly packet and the current January 2009 monthly packet. Motion was made to accept the December 2008 and January 2009 financial information and minutes by Stephen Everman, second by Dave Plessinger.

Paula Snowden informed the Board that there were a few topics that would need to be reviewed from the pending December 2008 packet; 1) the Sewer Operating Fund's ending December 2008 bank balance still has the money held back for a van repair of a customer that drove over a pile of gravel, 2) on January 5, 2009 a copy of the Attorney General's Motion to Intervene was faxed to R.D.A., 3) the Straeffler Pump pending expense can be submitted in writing to R.D.A. requesting to use the Reserve Fund as payment per Pam Farmer.

In other business, Paula Snowden ask the Board to review the previously required MD&A Report during the audit process, adding that at this time the Morehead office of R.D.A. would accept an audit from Powell's Valley Water for both water and sewer without the MD&A Report. She added that would save an extra expense each year of around \$500.00. Motion was made to omit the MD&A Report by Dave Plessinger, second by Stephen Everman.

Paula Snowden presented an AT&T contract, she stated that AT&T was offering a new lower rate but a signed contract was required if the Commission wanted to accept the new terms. Stephen Everman stated that he did not see the benefit on signing because the lower rate would be changed after a few months and it would be a signed long-term commitment to use AT&T. Dave Plessinger agreed.

Paula Snowden asks the Board if they want to respond to the Public Service Commission's Staff Report dated February 3, 2009. She also stated that she has spoken to Joel with John Lane C.P.A. office and they are willing to submit a letter to the Public Service Commission concerning the issue of the type of reports available for audit and tracking. Dave Plessinger stated that a letter should be prepared as a response stating the rate increases should not be held up due to the District's reporting format. Also it should state that the District does not have the funds available to upgrade hardware and software. Stephen Everman stated he agreed and he also did not understand why the Public Service Commission could not use the files and reports the District already had on hand since there was not a problem when the auditor used them. Paula Snowden stated she would prepare a letter for review and would contact the Board when it was completed.

Kendell Knox informed the Board that he had a pay request on a pump station from Bluegrass Ad. He also presented a contract for Service Agreement to Bluegrass Ad to administrate money from K.I.A. He also stated that the Betsy Ridge project is on hold until the sale of Bonds in December 2009 or January 2010.

With no other business, Stephen Everman adjourned the meeting.

S#  
X: Plessinger



Present: Chairman Stephen Everman, Secretary/Treasurer Dave Plessinger, Superintendent Kendell Knox, Paula Snowden, Scott Taylor and Ted Malone with M.S.E. Engineering.

Chairman Stephen Everman brought the meeting to order and opened the floor for new business.

Scott Taylor informed the Board that Stimulus Packets are due at noon today if the Commission was interested in applying. He presented a comparison on the breakdown for funding from the Stimulus, K.I.A. and R.D.A. for the Board to review. He added that if the Stimulus money is not received the K.I.A. and R.D.A. funding would still be options.

Ted Malone asks what about a split loan and grant? Scott Taylor explained R.D.A. set up for loans. Ted Malone stated that R.D.A. has done better on the percent rate and loan. Scott Taylor stated the pending projects will not generate new customers but the R.D.A. will set rate on customer's revenue to work up a grant. He also stated it was a low chance in getting funding thru the Stimulus. Ted Malone stated that R.D.A. is suppose to make sure the District can afford the loan.

Dave Plessinger stated as of now, the District cannot afford any loans.

Scott Taylor asks about current rate cases pending for the water and sewer. Paula Snowden answered that the District has been working on a rate increase for about two years. Also the District has followed every recommendation from R.D.A. and Public Service Commission and as of now the cases filed in December 2008 still have not had an order come down from Public Service Commission.

Scott Taylor stated then to wait on the K.I.A. grant money and maybe the Board should not try for a loan due to the current financial situation.

Ted Malone stated that if water loss is a large expense then spend money on a loan to repair the leaks instead of spending money for usage. Scott Taylor asks if the District can meter areas to check for leaks? Kendell Knox answered, not as of now. He added that is something he has wanted to do for tracking. He stated the District would need to purchase and install large meters to monitor but the District does not have the funds to cover the cost.

Ted Malone presented an application for payment on the pump station project for review and signature by the Chairman. Stephen Everman reviewed and signed.

Ted Malone asks what is the District's water loss? Kendell Knox answered 18% to 20%.

Scott Taylor informed the Board that he would put together a K.I.A.grant application for a leak detection survey. He also added that the Public Service Commission would allow a surge charge on the bills to cover the expense.

Ted Malone stated he was asked to get a price on a new building for the District. He stated the cost would be around \$100 to \$125 per square foot.

rate cases. He added that Mr. King called the Kentucky Attorney Generals office and was told that the Attorney Generals office's wanted to review the increase to see if they could cut cost but it was just the normal process. Kendell Knox also stated he did not contact Mr. Scott Graham since Mr. Robert King is willing to work on the behalf of the District.

In other business, Paula Snowden presented computer software companies and their products for review to the Board. She stated that once the order from Public Service Commission is received the District would have to be able to provide records in the format the Public Service Commission requires. She added that after reviewing the software information if anyone had questions to please contact her.

Kendell Knox stated that the District should contact Ron Spencer to see if he would help with any set up or networking issues. Dave Plessinger agreed, stating that Ron Spencer really knew his stuff. Paula Snowden stated she would call him and explain the needs of the District.

Kendell Knox informed the Board that Lloyd Little was ready to turn over his line to the District. Kendell Knox told Mr. Little that the District would need a deed for the pump station. Dave Plessinger asks is everything in good condition and ready to be accepted? Kendell Knox said he would do an inspection before the District would accept it. Motion was made if line and pump station passed inspection to accept from Mr. Little by Dave Plessinger, second by Stephen Everman.

Kendell Knox informed the Board that the District has two meters on a 500' ¾" service line with two customers and now two more customers want meters. Kendell Knox advised the Board the District should run 600' of 2" line that would cost around \$.35 cents per foot for around \$700 to \$800. Motion was made to run line by Stephen Everman, second by Dave Plessinger.

With no other business, Stephen Everman adjourned the meeting.

Present: Chairman Stephen Everman, Secretary/Treasurer Dave Plessinger, Superintendent Kendell Knox and Paula Snowden.

Chairman Stephen Everman brought the meeting to order.

Paula Snowden informed the Board she had a conference call scheduled with an attorney, Mr. Todd Ostbiloh with the Public Service Commission. The call was placed and Paula Snowden made the introductions of the Board members to Mr. Todd Ostbiloh. Mr. Todd Ostbiloh stated he also had Mr. Mark Frost present and would sit in on the conference call.

Dave Plessinger stated that the District was in a serious and very dire situation concerning the lack of revenue and added that both the water and sewer Sinking Funds had a shortage. He also added that the 2009 water and sewer Operating Budgets were based on a rate increase that had not gone into effect.

Mr. Todd Ostbiloh stated that an order on the rate increase cases would be going out soon and the Public Service Commission had three Commissioners that would review the cases and decide and rule on the cases.

Dave Plessinger stated that in reviewing the case numbers on the Public Service Commission's website, it looked like the case numbers given to the District had been skipped over, adding that cases filed in 2009 had already had an order issued on them.

Todd Ostbiloh answered that all the Commissioners review the cases and the rate cases are reviewed first.

Dave Plessinger stated that the District just wanted to advise the Public Service Commission that hard decisions would have to be made due to the lack of revenue and the upcoming Bond interest payments due July 1, 2009.

Mr. Todd Ostbiloh stated that the Public Service Commission recognized the District's situation and the Public Service Commission is reviewing the cases and they stand by the Staff's recommendation on the rate increases.

Dave Plessinger asks if there is anything else the District can do. Mr. Todd Ostbiloh stated that the District could submit a letter to the Public Service Commission and we the staff will also let the Commission know about the situation. Dave Plessinger stated that the District would send a letter.

Dave Plessinger stated that was all the Powell's Valley Water District needed to say and said goodbye. The call was completed.

Motion to prepare a letter to Public Service Commission per recommendations by Mr. Todd Ostbiloh made by Dave Plessinger, second by Stephen Everman.

needs of the District on the new hardware. He stated he would be able to run the wires and cable. His rates are \$35.00 an hour or \$20.00 an hour for an eight-hour project. Dave Plessinger stated he knows Ron Spencer was capable of the project and the price was reasonable.

She also stated it was time to review Dawn Barnes' salary. Dave Plessinger stated that due to the situation with the rate increase that would have to be tabled until later.

Kendell Knox stated that the District's backhoe operator was retiring and that would leave the District without a backhoe. Dave Plessinger stated he wanted the District to purchase a backhoe, trailer and truck to pull it with during the Sewer Plant project but the funding was not available. Kendell Knox stated the District might be able to rent the backhoe from Daymond Knox. Dave Plessinger asks if the District's current insurance policies would cover the usage of the backhoe? Paula Snowden answered she would call People's Exchange Insurance and check into it. Dave Plessinger added he knows the District has a need to own a backhoe and truck.

Motion was made by Dave Plessinger for the District to rent the required equipment and Kendell Knox to work out the details and price on behalf of the District, second by Stephen Everman.

Kendell Knox informed the Board that the Zee Ridge area needs a 2" line run and the cost would be around \$1500.00. Motion was made to run the 2" line by Stephen Everman, second by Dave Plessinger.

Kendell Knox also informed the Board that Ron Spencer has given a price of \$30,000.00 on telemetry. He stated the price includes the computer and all software. Kendell Knox stated that Ted Malone, with M.S.E. Engineering has said that around \$50,000.00 may be left on the Upper Virden Ridge Project. If so he would like to use some of the money to purchase the telemetry system. He stated that the telemetry system can be added to other tank sites on the District and would help on the tracking through out the water system.

With no other business, Stephen Everman adjourned the meeting.

Present: Chairman Stephen Everman, Secretary/Treasurer Dave Plessinger, Commissioner Babe Howard, Superintendent Kendell Knox and Paula Snowden.

Chairman Stephen Everman brought the meeting to order.

The Board reviewed May 2009 monthly packet. Motion was made to accept the April 2009 financial information and minutes by Dave Plessinger, second by Babe Howard.

Paula Snowden informed the Board that current Chairman Stephen Everman's term would be up July 2009. Stephen Everman stated he would like to have his term renewed for another four years. Dave Plessinger and Babe Howard both stated they would like to see Stephen Everman remain as Chairman of the Board. Paula Snowden added she would inform the Powell County Judge's office and have it on the itinerary for their June 2009 meeting.

Paula Snowden stated that the office has a total of \$500.00 to use to make change for payments \$300.00 for the Cash Drawer and \$200.00 for the Dawn Barnes's drawer. She added that Dawn Barnes's money is used to buy extra rolls of coins and extra dominations of bills. However, this does not leave enough money to make change for customer's payments. Paula Snowden stated she recommends having an extra \$150.00 or \$200.00 just to make change. She also informed the Board when the office runs out of change it is during a peak time and hard to leave to go to the bank. Motion was made to have an extra \$200.00 made available for Dawn Barnes' drawer by Dave Plessinger, second Stephen Everman.

Paula Snowden presented the Board with the IRS 2009 Standard Mileage Rates. She added that the District is currently paying .285 cents per mile. Kendell Knox stated that rate was set when the out side guys were driving their own vehicles. Paula Snowden stated that the only employees now that receive mileage are herself and Dawn Barnes. Motion was made to raise the mileage rate to .35 cents by Babe Howard, second by Stephen Everman.

Paula Snowden presented the Board with the annual health insurance renewal options. She stated the renewal date was June 1, 2009 and there has been a 5.1% increase to the District's policy. She explained that there are two additions to the District's health insurance. One is that Office Clerk Dawn Barnes was adding her husband to her policy with an estimated increase of \$287.54. The other was Randy Ledford with a complete new addition of a family policy with an estimated increase of \$1181.30. With the new additions and the 5.1% increase the estimated monthly health insurance premium would be \$7,730.53. Babe Howard asks what was the District currently paying a month. Paula Snowden answered without the two additions and the increase \$5960.24, which is \$1,770.29 less. Dave Plessinger added that the District would have to make changes to the health insurance to keep it affordable and asks if there were other companies the District could get prices from. Paula Snowden answered that changes have been made on getting quotes from other companies. She added that each employee would have to fill out new enrollment applications in order to get a quote from any other company and she added there was very little time to get everything completed before the renewal date of June 1, 2009. Babe Howard stated that insurance companies do that on purpose. Stephen Everman stated that his wife's insurance changes every year. Dave Plessinger added that if the District had to change companies every year to save money, then that is what they will do.

Paula Snowden presented the Board with the water and sewer Sinking Fund tracking information. She stated that to date the water Sinking Fund was short (\$15,222.64) and the sewer Sinking Fund would have enough to cover the July 1, 2009 interest payment and \$700.56 to go toward the January 1, 2010 principal and interest payment. Dave Plessinger asks Paula Snowden if the District will make the water interest payments due July 1, 2009. She answered that April 2009 was the first month with the rate increases, so once the revenue starts coming in she will be able to track and project the Sinking Fund. She added that the water would have to make a full transfer of \$11,642.00 plus an extra \$7,620.00 totaling \$19,262.00 for May and June to just make the required \$41,077.50 due. She added that by the June 2009 monthly meeting she would know if the District was going to make it or if funds would have to be requested from the Reserve Fund. She stated that if the District fell short, Rural Development would have to approve any funds used out of the Reserve Fund.

Paula Snowden presented a comparison for review of the Board on the 2008 April billing and gallons against the 2009 April billing and gallons for both the water and sewer. Babe Howard state that the District had been trying for at least two years for a rate increase. Paula Snowden stated that the District had followed everyone's recommendation from the previous Rural Development office in Shelbyville to Karen Lee and she added it has been a long process. Dave Plessinger stated it was almost too little too late.

Paula Snowden brought to the attention of the Board the timetable set forth by the P.S.C. concerning the Order issued April 14, 2009 requiring implementation of a new computer system. She said June 16, 2009 would be the 45-day limit and July 7, 2009 would be the 15-day limit. Dave Plessinger stated the District does not have the funds available to meet this dead line and he did not know if a date would even be given due to the current financial situation. He asks with the revenue increase from the current rate increase would the District have the money by August 2010? Paula Snowden answered that once the July 1, 2009 Bond interest payments and the January 1, 2010 Bond interest and principal payments are made then the District could start making full monthly transfer and keep the Accounts Payable current. Once that happens then the District would be able to see what the extra cash flow would be to set aside a certain amount each month to pay for the computer software, hardware, installation and system support. Kendell Knox stated that the Upper Virden Ridge Tank Project may have extra K.I.A. (Kentucky Infrastructure Authority) money. And he would see if any of the funds can be used to help pay for the computer system. He added that the District would have to get approval before the funds could be used for anything else but he would check and advise the Board. Paula Snowden stated that if any funds are available she recommends sending a letter to the P.S.C. with the details once the approval is received. She also informed the Board that Mr. Mark Frost with the P.S.C. called her around 4:30 p.m. at home on Thursday April 30, 2009. He stated the P.S.C. had received the District's response letter dated April 20, 2009. He informed Paula Snowden that he was notifying the District by phone that a date must be given on the new computer system and the District would have a 20-day notice to respond from the date of the phone call. She informed him on the current financial situation concerning the Sinking Fund and the Bond interest payments due July 1, 2009. She also stated that if the District was able to meet the July payments that the Bond principal and interest payments due January 1, 2010 would be the next issue of concern. He stated he would like to talk to the Chairman or Secretary of the Board and said he would call back on Monday May 4, 2009 to get their phone numbers. Paula Snowden offered the phone numbers to him but he stated he wanted to wait. She also offered to have another conference call for the May 11, 2009 the next scheduled monthly board meeting but Mr. Frost stated that was too late of a date and he would need to speak to someone before that date. Mr. Frost informed Paula Snowden that if the Powell's Valley Water District did not comply with the set dead-lines,

also do the report with some additional programming changes. The Board reviewed the information.

Paula Snowden presented AT&T quote on a business grade DSL line that would be required on all new computer systems. The Board reviewed the information.

In other business, Paula Snowden informed the Board the current Annual Support Service with Software Solutions would be up July 1, 2009. She added it was important to review the current computer situation in case the District would not update in a timely matter. She stated that without paying the upcoming annual support service, if the current system crashed there would not be any help in retrieving the customer and accounting information for conversion to a new system. Dave Plessinger stated the District just may have to take a chance that the current system would not go down.

With no other business, Stephen Everman adjourned the meeting.